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UNCLAS SECTION 01 OF 03 MUMBAI 002316

SIPDIS

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TAGS: PGOV PINR PREL IN
SUBJECT: MAHARASHTRA GETS A CHIEF MINISTER - FINALLY

REF: A) MUMBAI 2179; B) MUMBAI 2189

11. (SBU) In a sudden change of course following a long day of backroom politicking, Congress selected Vilasrao Deshmukh as the new Chief Minister (CM) of Maharashtra late on October 29. The choice was a surprise to most observers in the state who had expected outgoing CM Shinde to retain the job. However, Congress dropped Shinde and selected Deshmukh late in the evening of the 29th after learning that its coalition partner, the NCP, had selected R.R. Patil to fill the deputy Chief Minister position allocated to it as part of the Congress/NCP power sharing arrangement. Congress parliamentarians feared that Shinde would be too weak to counter the strength of both the resurgent NCP and the charismatic Patil. Deshmukh is considered a strong politician who is not afraid of standing up to both the NCP and, in particular, its leader Sharad Pawar. Pawar had been taking an increasingly aggressive line towards Congress following his party's strong showing in the Maharashtra elections. The vote marks the return to power of Deshmukh, who was CM of Maharashtra from 2001-2003 before resigning amid scandals and party disappointment at his performance. Biographies of the two new leaders are included at the end of this cable. End summary.

Congress and NCP Elect Leaders

- 12. (SBU) In a surprise vote that followed a day of backroom discussions of Congress officials in both Mumbai and Delhi, Deshmukh edged out the previous favorite, outgoing CM Shinde. The Congress central leadership ultimately chose the candidate because it felt it needed a strong and forceful personality to stand up to the NCP in the state and to NCP national president and Union Agriculture Minister Sharad Pawar in particular. Throughout the day Deshmukh had also lobbied heavily on his own behalf with both the newly elected Congress members of the state parliament and with the Party central leadership.
- 13. (SBU) The vote marks the return to power of Deshmukh, who was CM of Maharashtra from October 2001 to January 2003 as part of the Congress-NCP Democratic Front government. Congress edged him out of power due to a series of corruption scandals, lackluster performance by the Congress party in the district and local elections and the escapades of his eldest son, an aspiring actor whose antics became a source of embarrassment for the party in the media.

Congress Reacts to News from NCP Camp

(SBU) Congress only elected Deshmukh after it received word that its coalition partner, the NCP, had chosen R.R. Patil as its state parliamentary leader. In a secret ballot earlier in the day, the NCP's newly elected representatives to the state parliament had selected Patil over two rival candidates. Patil, responsible for the home and rural development portfolios in the outgoing Congress/NCP government, is a member of the politically dominant and numerically significant Maratha caste in Maharashtra. Upon hearing about his election, Congress legislators in Maharashtra prevailed upon emissaries from the central leadership in Delhi to approve Deshmukh, as only he was seen as charismatic enough to counter R.R. Patil's leadership.

Outgoing CM Shinde Long Considered a Shoo-in

 $oldsymbol{1}5$. (SBU) The press as well as most of our contacts, including all interlocutors from the various political parties in the state with whom we spoke during the October 28-29 visit of SA/INS desk officer James Seevers, expected that Congress needed to keep a Dalit caste person in the CM position, at least until the next round of state elections early in 2005. Incumbent chief minister Shinde, a Dalit, remained the frontrunner as a result, and his election was considered a foregone conclusion as soon as it became clear that Congress would keep the CM portfolio. Congress needed a Dalit, so the consensus opinion ran, to reward the Dalit vote in the state elections and to strengthen its position with Dalit voters in the upcoming state elections where Congress fears competition for the BSP party.

16. (SBU) In the end, however, Congress decided that the potential weakening of its support in the Maratha caste in the state was a greater risk than losing the Dalit vote. Dashmukh, himself a member of the Maratha caste, quickly became a favored candidate. In addition, Congress had begun to feel the pressure of a resurgent NCP that had forcefully defended its interests after emerging from the state elections with the largest single faction in the state parliament. Pundits say Shinde lost out because he was perceived to be totally lacking the killer instinct, and too close to NCP leader Pawar. Dashmukh is not only known as a strong leader, but also has a history of standing up to Pawar. Dashmukh is known to relish in "baiting" the NCP leader, as one local columnist wrote over the weekend.

Two Weeks of Wrangling Weaken Congress, Create Derision

- \P 7. (SBU) After winning Maharashtra election (ref A), the two major alliance partners wrangled for nearly two weeks over the composition of the new government. Although the NCP eventually accepted Congress' claim to the position of Chief Minister, the parties could not establish a final consensus over the number of deputy CM slots the NCP would get in return for accepting a Congress politician in the top jobs. Media pundits and political observers speculated about the reasons for the wrangling (ref B). In the public sphere, Congress began to appear as an embattled party fighting to hold onto its turf in the face of attacks by the emboldened NCP that had seized the political momentum in the state. The protracted eleven-day public spectacle even produced public derision. As one NCP functionary told us Friday, October 29 morning, "Thank God we are electing someone today, before we become complete laughing stocks.
- 18. (SBU) Deshmukh and Patil took the oath of office on Monday, November 1. Now that the two leaders are sworn in, the parties will begin negotiations over the remaining minister positions and portfolios in the new cabinet. It is expected that about 10 senior ministers will be named within the next two weeks. The full 44 member cabinet will not likely be named until after the winter session of the state parliament.

Bio: Vilasrao Deshmukh

 $\P 9$. (SBU) Vilasrao Deshmukh (58) is from an elite Maratha family from the drought-prone Marathwada region of south-central Maharashtra. At 23, he started his career as his village's elected headman, progressed to the state legislature in his mid-thirties and has been defeated only once (1995) in a directly contested election. In state politics, Deshmukh has always been a Pawar detractor. In various Congress governments in the state during the period 1982 to 1995, Deshmukh has handled important portfolios like agriculture, revenue, cooperation, industries, home, animal husbandry and education at various times. He had led two abortive within-party coups against Sharad Pawar, in 1988 and 1990. In 1996, he tried to get elected to the upper house of Maharashtra legislature using Shiv Sena support, but was unable to muster the requisite votes from his own Congress party. In the 1999-2004 Congress-NCP Democratic Front government of Maharashtra Deshmukh was chief minister from October 2001 to January 2003, when he was edged out because of corruption scandals, lackluster performance by the Congress party in the district and tehsil level elections (like County and City elections) and the escapades of his eldest son aspiring to be an actor, which were increasingly making media headlines.

Bio: Raosaheb Ramrao Patil ___________

110. (SBU) Raosaheb Ramrao Patil is 50. Born into a very poor Maratha family in the Anjani tehsil (administrative unit consisting of 100 villages) of sugar-cane-rich Sangli district, he completed his college education (an undergraduate degree in humanities and a lawyer's diploma) in nearby town of Tasgaon, at times eating only once a day to save money. The then Maharashtra chief minister Vasantdada Patil spotted R. R. Patil's leadership potential and brought him into electoral politics. R.R. Patil was elected to the Sangli district council in 1979 when he was only 25 years old, very young by the standards of Indian electoral politics. In 1990, 1995, 1999 and standards of Indian electoral politics. In 1990, 1995, 1999 and 2004 he was elected to the Maharashtra state legislature. During the Shiv Sena/ Bharatiya Janata Party led government from 1995 to 1999, Patil was one of the most effective opposition representatives to use "call attention motions" (a parliamentary device) to focus attention on corrupt practices of that government's ministers. In his home-district, even today he is affectionately called "call attention" Patil.

111. (SBU) When the first Congress/NCP coalition government took oath in October 1999, Patil was given the rural development portfolio, which no one else wanted. He designed a "village

cleanliness campaign", in which all of the state's 36,000 odd villages could participate, each village defining what

cleanliness meant for its inhabitants. The transparent judging process yielded amazing results. Some villages built drainage systems, some houses for the homeless and some schools, and some even designed websites, using their own labor and government allotted village level funds. The World Bank concluded in 2002 that the scheme generated about 2.1 million dollars of rural asset creation in its first two years of operation. Two other neighboring states Madhya Pradesh and Rajsthan emulated the scheme.

112. (SBU) In December 2002, NCP nationalist president Sharad Pawar appointed R. R. Patil the state unit president of the party and in December 2003, Patil was also given the state home portfolio (the police force comes under this), when the Mumbai police was rocked by a tax-evasion scandal known as the Telgi scam implicating highest level of officials, possibly the home minister himself. The NCP's then deputy chief minister and home minister Chhagan Bhujbal had to resign over this scandal. In the new administration too, R.R. Patil is expected to handle the home and rural development portfolios. However, he might lose the state party president post to Bhujbal. R.R. Patil's daughters still study in the no-fees government school in his village and his parents still work the family farm. He reads late into the night and is never seen on the party circuit. In April-June 2004, he made ingenious use of some alleged references to 17th century iconic Maratha king Shivaji in American Scholar James Laine's book (and ex-Prime Minister Atal Bihari Vajpayee's inferred defense of it) to polarize Maratha caste votes for his party. Due to some unfortunate experiences in his undergraduate days at the hands of his Brahmin teachers, he is rumored to be strongly anti-Brahmin. He is also rumored to be not very comfortable speaking English.

Comment

113. (SBU) The Maharashtra Congress party has been shaken to the core by the strong showing by an assertive NCP in the recent state elections. A junior partner in the previous coalition (Congress 73, NCP 56) NCP emerged as the senior partner with 71 legislators against Congress 69 this time round. The last minute choice of the charismatic and combative Deshmukh over the "nice guy" Shinde shows the extent of Congress' concern about the strength of its coalition partner. Each party's choice of a strong, charismatic personality as their leaders in the state is also a signal that their relationship will likely be rocky and perhaps even acrimonious when they begin to address the problems facing the state.

SIMMONS